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# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
Executive Director

### Division of Oil, Gas and Mining

JOHN R. BAZA  
Division Director

October 14, 2015

CERTIFIED RETURN RECEIPT  
7013 3020 0002 3659 6344

Russell Jones  
Barrick Resources (USA) Inc.  
460 West 50 North, Suite 500  
Salt Lake City, Utah 84101

Subject: Evaluation of Reclamation Surety, Barrick Resources (USA), Inc., Mercur Mine, M/045/0017, Tooele County, Utah

Dear Mr. Jones:

The last reclamation cost adjustment for the Mercur mine was done on May 10, 2005, with the release of 775.3 acres. The Division of Oil, Gas and Mining may adjust the amount of reclamation surety as the result of a periodic review taking into account inflation/deflation based on an acceptable cost index (R647-4-113.6).

- Please provide update contact name(s) and address changes, using form MR-REV for replacement pages.
- Please provide an updated Notice of Intention to Commence Large Mining Operations (LMO), specifically the reclamation plan in Section R647-4-110. The section should reflect updated information regarding efforts to evaporate the remaining mine water and any other remaining structures and final reclamation to be done. This should include a reclamation map to clearly delineate the remaining reclamation activities for the 403.7 acres that have yet to be released.
- In addition please provide updated surety calculations per R647-4-113. The Division has developed worksheets to assist both the Division and mine operators to calculate the reclamation cost using standard unit costs. These are available on the Division's web site at [http://linux3.ogm.utah.gov/WebStuff/wwwroot/minerals/bonding\\_worksheets.html](http://linux3.ogm.utah.gov/WebStuff/wwwroot/minerals/bonding_worksheets.html).

Any necessary changes should be addressed by submitting an amendment to the LMO using form MR-REV (LMO). Once the forms have been reviewed, the Division will ask that you adjust the amount of surety to reflect the current reclamation cost estimate. **Please submit the reclamation cost estimate as an amendment to the LMO by January 8, 2016.** Any modifications to the contract with the Board of Oil, Gas and Mining will require formal approval from the Board.

Please contact Leslie Heppler at 801-538-5257 for the LMO update, Wayne Western at 801-538-5263 for the bond update, or me at 801-538-5261 if you have questions regarding this letter. In reply please refer to file number M/045/0017.

Sincerely,

Paul B. Baker  
Mining Program Manager

PBB:lah: mt: pb  
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